

## Message Text

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64

ORIGIN NEA-10

INFO OCT-01 ISO-00 DODE-00 PM-04 NSC-05 SP-02 SS-15 L-03

CIAE-00 INR-07 NSAE-00 MC-02 EB-07 /056 R

DRAFTED BY DOD/ISA/DSAA:LT.COL.PERKINS:BH

APPROVED BY NEA:SSOBER

NEA/ARP:FMDICKMAN

DOD/OGC:MR.HERO

DOD/ISA/DSAA:LT.GEN.FISH

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P 232145Z SEP 75

FM SECSTATE WASHDC

TO AMEMBASSY KUWAIT PRIORITY

C O N F I D E N T I A L STATE 226763

E.O. 11652: GDS

TAGS: MASS, KU, US

SUBJECT: AGENTS FEES

REF: KUWAIT 3817 (DTG 17140Z SEP 75)

1. NEGOTIATIONS WITH RAYTHEON REMAIN AT A STANDSTILL PENDING AN ACCEPTABLE SOLUTION TO THE AGENTS FEE PROBLEM. YOUR CONTINUED EFFORTS WILL BE KEY TO AN EARLY RESOLUTION OF THE ISSUE.

2. REGARDING FIRST SENTENCE OF PARA 3, REF A, THE COMPANY INCORRECTLY REPORTED TO YOU THAT USG WOULD CONSIDER PAYMENT BY THE COMPANY AS ILLEGAL. THE DOD DID NOT INFORM THE RAYTHEON COMPANY THAT A PAYMENT OUT OF THEIR PROFITS WOULD BE ILLEGAL. THIS WOULD BE A MATTER FOR THE COMPANY TO DECIDE; HOWEVER, NO ADDITIONAL PROFIT WOULD BE ALLOWED TO EFFECT THE PAYMENT.

3. REGARDING STATEMENT IN SECOND SENTENCE, PARA 3, REF A  
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THAT I HAWK CONTRACT COULD BE DECLARED NULL AND VOID, IT IS IMPORTANT TO EMPHASIZE THAT REASON WOULD BE INABILITY OF DOD TO EXECUTE A CONTRACT WITH RAYTHEON ON TERMS ACCEPTABLE TO KUWAIT. THIS COULD BE CONSTRUED AS IN-

TRANSIGENCE ON PART OF RAYTHEON OR ITS AGENT, BUT NOT AS

AN ACTION OF USG TO DECLARE THE SALES CONTRACT NULL AND VOID.

4. SITUATION CAN BE RESOLVED IN ANY ONE OF FOLLOWING WAYS:

A. KUWAITI AGREEMENT TO INCLUDE AGENT'S FEE IN CONTRACT. THIS RULED OUT IN PARA 2, REF A.

B. GOK PRESSURE WHICH RESULTS IN AGENT WITHDRAWING FROM AGREEMENT. THIS IS CURRENT APPROACH.

C. RAYTHEON DECISION TO PROCEED WITH CONTRACT, WITHOUT REIMBURSEMENT FOR AGENT'S FEE, IN MANNER DESCRIBED PARA 2 ABOVE.

5. WE MUST BE ADVISED ASAP IF GOK APPROACH TO AGENT IS UNSUCCESSFUL; THIS WOULD RULE OUT ALL OPTIONS EXCEPT THAT IN PARA 4C ABOVE, AND WE WOULD NOTIFY RAYTHEON ACCORDINGLY.  
ROBINSON

CONFIDENTIAL

<< END OF DOCUMENT >>

## Message Attributes

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**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ROYALTIES  
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**Draft Date:** 23 SEP 1975  
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**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
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**Enclosure:** n/a  
**Executive Order:** 11652 GDS  
**Errors:** n/a  
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